

General Government Accounts

To budget for services provided on a city-wide basis and not directly associated with an operating department or office.

About the General Government Accounts

What We Do (Description of Services)

The budgets in the General Government Accounts represent necessary spending and financing that exist across the City, and are not necessarily assignable to a specific department. These budgets include:

- the pass through of the employer share of City wide employee insurance, retiree insurance, pension, and other benefit costs, recovered through the fringe benefit allocation system,
- city wide tort liability costs that are not department specific,
- funding for city wide elections,
- spending related to legal services provided by those other than staff attorneys,
- funding for the Citizen Participation Program, the Neighborhood Crime Prevention Program, and the City Council's Non-profit Performance Contract Program,
- support for the financial forms and reports used by all departments,
- the costs of the City's memberships in municipal organizations, such as the League of Cities, and the Association of Metropolitan Municipalities,
- the fees paid to the State for the city-wide financial audit,
- costs of the Charter Commission and the Capital Improvement Budget Committee,
- business parking costs for city council members and the pass through of employee's payments for the Metro Pass Program
- charges for the maintenance and upkeep of City Hall.

2004-2005 Accomplishments

The following was accomplished in 2004:

- Working with the City's labor union representatives, city staff have managed the financial control of the costs related to city employee fringe benefits, including pensions, insurance, workers' compensation and severance pay.
- The audit of the City's 2004 financial records is complete, and the annual financial report has been prepared, printed and distributed.
- Tort claims levied against the City and approved by the City Council have been managed, and claimants paid from department budgets or the city-wide budget.
- The City's interests and share of costs for the operation of city hall, including security issues in the aftermath of 9/11/01, have been managed.
- The citizen participation program and the neighborhood crime prevention programs were funded.
- Election services to the citizens of Saint Paul were provided.

Statistical Profile (2005)

• New city-wide Tort cases	40
• Citizen Participation District Programs	19
• Neighborhood Crime Prevention organizations	25
• Participants in the Non-profit Contract Program	35
• City Share of Space in the City Hall Courthouse	35.43%

General Government Accounts Key Performance Measures

Performance Objective: Keep the yearly increased cost of retiree health insurance below national health care cost inflation.

Performance Indicator: % change per year

MEASURES:	2003 Actual	2004 Actual	2005 Estimated	2006 Projected
% increase in cost of retiree health insurance	7.47	8.60	7.24	6.05

Performance Objective: Keep the cost of employee health insurance at or below the national health care cost. (MN State law requires early retirees to be placed in same pool as active employees, which increases the City's average cost, comparatively.)

Performance Indicator: Cost per employee (\$)

MEASURES:	2003 Actual	2004 Actual	2005 Estimated	2006 Projected
Cost per employee - City	5,658	6,566	7,708	8,300
Cost per employee - national average (govt)	5,616	6,000	n/a	n/a

General Government Accounts

Department/Office Director: **MATTHEW G SMITH**

		2003	2004	2005	2006	2006	Change from	
		2nd Prior	Last Year	Adopted	Mayor's	Council	Mayor's	2005
		Exp. & Enc.	Exp. & Enc.		Proposed	Adopted	Proposed	Adopted
<u>Spending By Unit</u>								
001	GENERAL FUND	7,334,618	8,324,819	6,273,396	5,247,936	5,340,436	92,500	-932,960
	Total Spending by Unit	7,334,618	8,324,819	6,273,396	5,247,936	5,340,436	92,500	-932,960
<u>Spending By Major Object</u>								
	SALARIES	72,202	38,354	4,954	5,078	5,078		124
	SERVICES	2,435,702	2,562,803	2,614,432	2,688,804	2,688,804		74,372
	MATERIALS AND SUPPLIES	57,708	41,212	26,404	26,404	26,404		
	EMPLOYER FRINGE BENEFITS	-25,003	-33,027	80,134	91,487	91,487		11,353
	MISC TRANSFER CONTINGENCY ETC	3,498,994	4,016,093	3,547,472	2,436,163	2,528,663	92,500	-1,018,809
	DEBT	939,892	1,699,384					
	STREET SEWER BRIDGE ETC IMPROVEMENT							
	EQUIPMENT LAND AND BUILDINGS	355,123						
	Total Spending by Object	7,334,618	8,324,819	6,273,396	5,247,936	5,340,436	92,500	-932,960
	Percent Change from Previous Year		13.5%	-24.6%	-16.3%	1.8%	1.8%	-14.9%
<u>Financing By Major Object</u>								
	GENERAL FUND	7,334,618	8,324,819	6,273,396	5,247,936	5,340,436	92,500	-932,960
	SPECIAL FUND							
	TAXES							
	LICENSES AND PERMITS							
	INTERGOVERNMENTAL REVENUE							
	FEES, SALES AND SERVICES	34,435	2,950					
	ENTERPRISE AND UTILITY REVENUES							
	MISCELLANEOUS REVENUE	4,671	3,544					
	TRANSFERS							
	FUND BALANCES							
	Total Financing by Object	7,373,724	8,331,313	6,273,396	5,247,936	5,340,436	92,500	-932,960
	Percent Change from Previous Year		13.0%	-24.7%	-16.3%	1.8%	1.8%	-14.9%

2006 Budget Plan

2006 Priorities

- The city council staff will manage the Non-profit Contract Performance Program and the budget for the Charter Commission.
- The City Attorney's Office will oversee the Tort Liability budget and administer the budget for any use of law firms and expert legal service outside of the city attorney staff.
- The Citizen Services Office will be responsible for the elections services budget.
- The Office of Financial Services will work with the budgets for pensions, severance pay, state auditor, the Capital Improvement Budget committee, financial forms, employee parking, and refunds.
- Mayor's Office staff will control the budget for the City's municipal memberships and dues.
- The Real Estate unit of Public Works will deal with exempt and forfeited property assessments and the service and operations of the city hall building.
- Human Resources (risk management) will lead the citywide effort to control the costs associated with workers compensation, employee and retiree health insurance, torts, and unemployment compensation, and manage the surety bonds budget.
- The Planning and Economic Development staff will direct the budget for Citizen Participation and the Neighborhood Crime Prevention program.

2006 Budget Explanation

Base Adjustments

The 2005 adopted budget was adjusted to set the budget base for 2006. The base includes the anticipated growth in salaries and fringes for 2006 for employees related to the bargaining process. It also includes 2% inflation growth applied to utilities. For the General Government Accounts, the base budget included a spending reduction target.

Mayor's Recommendation

The proposed general fund budget for the General Government Accounts for 2006 is \$5,247,936, a decrease of \$1,025,460, or 16.3%, from the adopted 2005 budget of \$6,273,396. The General Government Accounts have no special fund budgets. The spending reduction target was met with minor changes to several programs. Other changes include the following: removing the general fund budget for the Non-profit Contract Performance Program, shifting the sidewalk repair program and the long side subsidy program to special funds, funding the committee *per diem* costs for the STAR Board and the Heritage Preservation Commission (the latter as a shift from PED), reducing or shifting the assessments costs for Exempt and Forfeited Property Assessments budgets to special funds modifying the municipal memberships budget for some minor changes in dues; and including the normal annual increase in the elections contract with Ramsey County. For financing, the 2005 estimates for financing for pension aids were adjusted to bring them to an expected 2006 level.

Council Actions

The City Council adopted the General Government Accounts budget and recommendations as proposed by the Mayor, and approved the following changes:

- restored the general fund budget for the Non-profit Contract Performance Program and provided for a cost of living increase in both the general fund and CDBG.

The 2006 adopted budget is \$5,340,436 for the general fund.